

# Fiscal Note

State of Alaska  
2026 Legislative Session

Bill Version: SB 198  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB198-DOA-DRB-01-27-2026  
Title: PERS/TRS RETIREMENT & MEDICAL  
ELIGIBILITY  
Sponsor: KAUFMAN  
Requester: (S) LABOR & COMMERCE

Department: Department of Administration  
Appropriation: Centralized Administrative Services  
Allocation: Retirement and Benefits  
OMB Component Number: 64

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2027 Appropriation Requested	Included in Governor's FY2027 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2027	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Personal Services							
Travel							
Services							
Commodities	10.7		10.7	10.7	10.7	10.7	10.7
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>10.7</b>	<b>0.0</b>	<b>10.7</b>	<b>10.7</b>	<b>10.7</b>	<b>10.7</b>	<b>10.7</b>

## Fund Source (Operating Only)

1004 Gen Fund (UGF)	10.7		10.7	10.7	10.7	10.7	10.7
<b>Total</b>	<b>10.7</b>	<b>0.0</b>	<b>10.7</b>	<b>10.7</b>	<b>10.7</b>	<b>10.7</b>	<b>10.7</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2026) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2027) cost:** 0.0 (separate capital appropriation required)

**Does the bill create or modify a new fund or account?** No  
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? TBD

## Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Phone: (907)465-5717  
Date: 01/27/2026  
Date: 01/27/26

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2026 LEGISLATIVE SESSION

BILL NO. SB198

### Analysis

This bill amends several statutes related to the Defined Contribution Retirement Plan in the Public Employees' Retirement System and the Teachers' Retirement System. These amendments remove the requirement for a member who is retiring on a service-based retirement to retire directly from the plan and change the number of years required for a service-based retirement from 30 to 25 years for teachers and all other employees and from 25 to 20 years of service for peace officers and firefighters. The amendments will require a member who is retiring at the normal retirement age who has at least 10 years of service to have been an active member for 12 months immediately before retirement from the plan. The Health Reimbursement Arrangement is amended by removing the adjustment for inflation based on the consumer price index for the Anchorage area for an employee who has terminated service and later returns to service and is replaced with interest added by the administrator for each year between the date of termination and the person's return to employment at the rate established by the Alaska Retirement Management Board. Provides an effective date of July 1, 2026.

Enactment of this bill will have a fiscal impact of \$10.7 to update and reissue division handbooks, forms, benefit summaries, and educational materials.